

191—59.5 (510B) Termination or suspension of contracts with pharmacies by pharmacy benefits managers.

59.5(1) A contract between a pharmacy benefits manager and a pharmacy shall include a provision describing notification procedures for contract termination. The contract shall require no less than 60 days' prior written notice by either party that wishes to terminate the contract.

59.5(2) Termination of a contract between a pharmacy benefits manager and a pharmacy or termination of a pharmacy from the network of the pharmacy benefits manager shall not release the pharmacy benefits manager from the obligation to make payments due to the pharmacy for contract-covered services rendered before the contract of the pharmacy was terminated.

59.5(3) The following apply to terminations or suspensions of contracts with pharmacies by pharmacy benefits managers:

a. If the pharmacy benefits manager has evidence that the pharmacy has engaged in fraudulent conduct or poses a significant risk to patient care or safety, the pharmacy benefits manager may immediately suspend the pharmacy from further performance under the contract only if written notice of the suspension and reasoning therefor is provided to the pharmacy, the covered entity and the commissioner.

b. A pharmacy shall not be terminated or suspended from the pharmacy benefits manager's provider network or otherwise penalized by a pharmacy benefits manager solely because the pharmacy files a complaint, grievance or appeal with any entity. A pharmacy benefits manager shall not imply or state that it may or will take action to cancel or limit a pharmacy's participation in a pharmacy benefits manager's provider network solely because the pharmacy files a complaint, grievance or appeal with any entity.

c. A pharmacy shall not be terminated from the network or suspended by a pharmacy benefits manager due to any disagreement with a decision of the pharmacy benefits manager to deny or limit benefits to covered individuals or due to any assistance provided to covered individuals by the pharmacy in obtaining reconsideration of a decision of the pharmacy benefits manager.

d. The pharmacy may request an independent third-party review of the final decision to terminate or suspend the contract between the pharmacy benefits manager and the pharmacy by filing with the pharmacy benefits manager a written request for an independent third-party review of the decision. This written request must be filed with the pharmacy benefits manager within 30 days of receipt of the final termination or suspension decision.

e. Any request by a pharmacy for an independent third-party review of a termination or suspension decision shall be considered a complaint and included in the report required by subrule 59.7(2).

f. If a pharmacy requests an independent third-party review of a termination or suspension decision and the termination is found to be substantiated, the cost of the third-party review shall be paid by the pharmacy. If a pharmacy requests an independent third-party review of a termination or suspension decision and the termination is found to be unsubstantiated, the cost of the third-party review shall be paid by the pharmacy benefits manager.